



U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS


ENTERED

TAWANA C. MARSHALL, CLERK

THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed April 15, 2014


United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:

MtGox Co., Ltd. (a/k/a MtGox KK)
Debtor.

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Bankruptcy Case No.
14-31229-SGJ-15

**ORDER DENYING MOTION TO RECONSIDER [DE # 79] FILED BY GREEN
PLAINTIFFS, BUT SETTING GENERAL STATUS CONFERENCE
ON APRIL 16, 2014 AT 9:30 A.M.**

On April 14, 2014, a "Motion to Reconsider Setting for Hearing on Creditors Gregory Greene and Joseph Lack's Motion for Termination of Provisional Relief" was filed [DE #79] (the "Motion to Reconsider," and when referring to the movants thereon, the "Green Plaintiffs"). The Motion to Reconsider was filed just a few hours after MtGox Co., Ltd. ("MtGox") filed an Emergency Motion for Continuance of Deposition [DE #76] (the "Motion for Continuance"). MtGox is seeking a continuance of the

deposition of the Foreign Representative, Mark Karpeles, that was ordered to occur April 17, 2014 in Dallas, Texas, U.S.A., to May 5, 2014 (it appears due to Mr. Karpeles' desire to obtain personal counsel, which situation may have been further complicated due to a FinCEN subpoena that was served on one of Mr. Karpeles' U.S. lawyers (in the state of Illinois) on April 7, 2014, purporting to command Mr. Karpeles' appearance in Washington, D.C. on April 18, 2014). The Motion for Continuance also states that MtGox "cannot guarantee that Mr. Karpeles will attend the deposition on May 5, 2014, either."

The court is denying the Motion to Reconsider, as the Motion for Termination of Provisional Relief (on which the Green Plaintiffs now seek an immediate hearing) ***is already set for May 6, 2014, which is fairly soon.*** A possible continuance of Mr. Karpeles' U.S. deposition in connection with the Chapter 15 case, until May 5, 2014, does not *per se* seem to constitute grounds to hear the Motion for Termination of Provisional Relief any earlier than May 6, 2014. However, the court naturally has some concerns about delay in this matter. MtGox filed its Petition for Recognition in the United States Bankruptcy Court on March 9, 2014, stating that it was "in an effort to maximize recoveries to, and provide for an equitable distribution of value among, all creditors." Verified Petition for Recognition and Chapter 15 Relief, ¶ 14. The court earlier granted provisional relief in

these proceedings, based on a belief, among other things, that it would avoid immediate and irreparable harm to the estate and creditors, that there was a substantial likelihood that MtGox would be entitled to recognition, that it would serve the public interest, and not substantially harm other parties. Parties-in-interest are entitled to have certain basic discovery, to assess whether the Petition for Recognition is warranted, and they should not be delayed prejudicially on this.

Accordingly, the bankruptcy court will hold a status conference on April 16, 2014, at 9:30 a.m. At such status conference, the court expects to hear a report from MtGox regarding the following: (a) what happened at the hearing that was to occur on April 15, 2014 at 10:30 a.m. in the Japanese Civil Rehabilitation Proceeding ("JCRP"); (b) is the Examiner's/Supervisor's Report still expected to be filed on May 9, 2014 in the JCRP; (c) has Mr. Karpeles been deposed in connection with the JCRP; (d) what can be offered by MtGox in the way of discovery between now and May 5, 2014 (*i.e.*, the new date proposed by MtGox for a deposition of Mr. Karpeles in connection with the Chapter 15 case) in an effort to keep things on track; and (e) what is currently the status of MtGox generally (*i.e.*, with regard to what was earlier reported as an "intensive investigation of what led to the missing bitcoins", with regard to the rehabilitation efforts, and orders entered by the court in

the JCRP, *etc.*).

****END OF ORDER****